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Attorney for Plaintiff

IN THE UNITED STATES DISTRICT COURT  
DISTRICT OF OREGON  
(Eugene Division)

**METROFAB, INC.**, an Oregon corporation,

Plaintiff,

v.

**FARMERS INSURANCE EXCHANGE**, a  
California corporation,

Defendant.

Case No.:

**COMPLAINT**

**(28 U.S.C. § 1332)**

**(Demand For Jury Trial)**

## INTRODUCTION

1. Plaintiff Metrofab, Inc. is a family-owned agricultural equipment fabrication and repair company that also provides cold storage in a facility leased to Metrofab in Hubbard, Oregon. This case arises out of the refusal of defendant Farmers Insurance Exchange to provide business interruption loss coverage to Metrofab pursuant to the terms of a property and casualty policy providing this coverage to plaintiff as a co-insured.

## **PARTIES**

2. Plaintiff Metrofab, Inc. is an Oregon corporation, with its principal place of business in Hubbard, Oregon. Plaintiff is engaged in the business of fabricating and repairing agricultural equipment and providing cold storage for farm products at a leased facility in Hubbard, Oregon.

3. Defendant Farmers Insurance Exchange is a California corporation engaged in the business of commercial insurance doing business under the name "Farmers Insurance Group."

## **JURISDICTION**

4. Under 28 U.S.C. § 1332, this Court has jurisdiction by virtue of diversity of citizenship between the parties and the amount in controversy exceeding \$75,000.

## **BACKGROUND**

5. Farmers Insurance Group sells insurance products through a national system of insurance brokers who hold themselves out as Farmers' agents.

6. In April 2013, Metrofab worked through Farmers' agent Lennie Anderson to secure property and casualty insurance on its behalf and that of the lessor of the building in which plaintiff operates its business.

7. In May 2013, defendant issued a commercial insurance policy insuring the building in which plaintiff operates its business and listing plaintiff as an additional insured in connection with coverage for business interruption loss and extra expense.

8. At all material times between May 2013 and November 2015, defendant directed billings for the premiums due on the property and casualty policy issued to

plaintiff and its lessor solely to Metrofab and mailed those invoices to plaintiff's Hubbard address. Plaintiff paid all premiums due to defendant in a timely manner.

9. On November 8, 2015, Metrofab's manufacturing and cold-storage facility was destroyed by a fire.

10. As a result of the total loss of its facility, Metrofab suffered and will continue to suffer business interruption and extra expense losses in the estimated amount of \$600,000.

11. On or about February 8, 2016, Metrofab requested in writing that Farmers Insurance Group confirm Metrofab's entitlement to insurance coverage for business income loss and extra expense in connection with the November 8, 2015 fire loss. In response, Farmers Insurance Group denied coverage.

12. Metrofab has complied with all conditions precedent to a recovery under the insurance policy issued by defendant.

13. By denying Metrofab's business income loss and extra income claim, Farmers Insurance Group has breached its obligations to provide insurance coverage to Metrofab as required by defendant's insurance policy.

14. Metrofab estimates its damages at \$600,000, but will prove those damages more precisely at trial.

15. Under ORS 742.061, Metrofab is entitled to an award of its reasonable attorneys' fees incurred in prosecuting this case.

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WHEREFORE, Plaintiff prays for a judgment against defendant in the amount of \$600,000, plus its reasonable attorneys' fees, costs and disbursements incurred herein.

Dated this 4th day of April, 2016.

HAGLUND KELLEY, LLP

By: s/ Michael E. Haglund

Michael E. Haglund, OSB No. 772030  
Attorney for Plaintiff  
Trial Attorney: Michael E. Haglund